AGREEMENT

between

SecTek, Inc.

And

National Association of Special Police and Security Officers (NASPSO)

For Guard Services at NASA Headquarters

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TABLE OF CONTENTS	PAGE NO.
Preamble	3
Article 1: Recognition	3
Article 2: Union Security	4
Article 3: Union Rights	6
Article 4: Management Rights	8
Article 5: Non-discrimination	9
Article 6: Hours of Work	9
Article 7: General Wage Provisions	10
Article 8: Leaves of Absence	11
Article 9: Holidays	15
Article 10: Vacation	15
Article 11: Health and Welfare & Other Benefits	17
Article 12: Discharge and Discipline	18
Article 13: Grievance Mediation and Arbitration Procedure	21
Article 14: Seniority	24
Article 15: Continuity of Operations	26
Article 16: Contract Agency Directives	27
Article 17: Drug and Alcohol	27
Article 18: Arrest Agreement	27
Article 19: Training and Qualification	28
Article 20: Scope of Agreement	29
Signature Page	30

PREAMBLE

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- I. This Agreement is entered into by and between SecTek, Inc., (hereinafter referred to as the "Company" or "SecTek") and the covered employees of the Company (as defined in Section 1.2) located at National Aeronautics and Space Administration (NASA) Headquarters located at 300 E St. SW, Washington, D.C. 20546 and National Association of Special Police and Security Officers (NASPSO) (hereinafter referred to as the "Union"). Unless otherwise stated herein, this Agreement is effective March 1, 2008 for all economic terms, and upon signing for non-economic terms.
- II. The parties acknowledge that, during the negotiations which resulted in this Agreement, each had the unlimited right and opportunity to make demands and proposals with the respect to any subject or matter not removed by law from the area of collective bargaining, and that the understanding and agreements arrived at by the parties, after exercise of that right and opportunity, are set forth in this Agreement.
- III. It is the intent and purpose of this Agreement to assure sound and mutually beneficial industrial and economic relationships between the parties hereto, to provide an orderly and peaceful means of conducting negotiations and resolving any misunderstandings or grievances, and to set forth herein the basic Agreement between the parties covering rates of pay, wages, hours of work and other conditions of employment.
- IV. The Union, the Company and all employees are bound by and hereby pledge their cooperation in observing all provisions of this Agreement consistent with applicable State and Federal Law
- V. The Union and the Company are committed to the principle of providing a fair day's work for a fair day's pay.

ARTICLE 1: RECOGNITION

SECTION 1.1 - Recognition of Union. The Company hereby recognizes the Union as the sole and exclusive bargaining representative of "employees" as defined in Section 1.2 of this Agreement.

SECTION 1.2 - Employees. Whenever used in this Agreement, the term "employees" shall mean all full-time and regular part-time security officers and shift supervisors employed by the Employer, and excluding temporary personnel as defined in Section 1.4 of this Agreement, office clericals, managerial personnel, project managers, supervisors as defined by the National Labor Relations Act, and all other personnel. It is expressly agreed and understood between the parties that persons enrolled or participating in pre-assignment training programs offered by the Company shall not be considered employees under this Section 1.2.

SECTION 1.3 - Probationary Employees. All employees newly hired, or rehired after termination of their seniority, shall be classified as probationary employees for a period of ninety (90) days from the date of hire or rehire. During their probationary period, the probationary employee may be disciplined and tempinated with or without just cause

as that term is defined in Article 12 of this Agreement. During the probationary period, the probationary employee shall be deemed to be employed for an indefinite term.

SECTION 1.4 - Temporary Personnel. "Temporary personnel" are persons hired by the Company for a period not to exceed seventy (70) days in a calendar year and, who, prior to the commencement of actual work, have executed a written statement acknowledging such duration of employment. A person initially hired under such conditions may not actually work in excess of seventy (70) days in a calendar year, except by the mutual agreement of the Company and the Union. The Company, under its contract with the United States Government (hereafter "the Contract"), may provide, hire and use temporary personnel in order to provide full staffing level coverage, increase security levels as needed and avoid overtime; provided it is not the intent of the Company to replace existing full-time vacancies/jobs with temporary employees.

<u>SECTION 1.5 - Part-time Personnel.</u> The Company, under its Contract, may provide part-time positions in order to provide full staffing level coverage, increase security levels as needed and avoid overtime. The part-time employee may be scheduled to work more than a part-time schedule. "Part time" personnel or employees shall be those employees who work 29 hours or less in a work week.

ARTICLE 2: UNION AGREEMENT / CHECK OFF OF UNION DUES

<u>Section 2.1 Union Shop</u> – It is hereby understood and agreed by and between the Company and the Union that:

- A. This Union Shop agreement shall become effective upon execution and shall remain in full force and effect concurrently with the basic collective bargaining agreement between the parties hereto.
- B. All security employees subject to the Agreement between the Company and the Union shall within thirty-one (31) days from the effective date of this agreement and/or hire date become members or agency fee payers, as a condition of continued employment. Employees meet this requirement of being a member in good standing of the union within the meaning of this article, by tendering the periodic dues and initiation fees uniformly required as a condition of acquiring or retaining membership in the Union, or, in the alternative by tendering to the Union Agency fees, as defined by the United States Supreme Court in NLRB v. General Motors Corporation, 373U.S. 734 (1963); and Beck v. Communications Workers of America, 487 U.S. 735 (1988). Upon notice from the Union, employees who fail to pay such dues or agency fees shall be given thirty (30) days notice of termination of employment from this contract.
- C. When a member of the Union executes such Check-Off Authorization Card in a manner suitable to the Union, the Union shall forward an original copy to the designated Company accounting official. Any Check-Off Authorization Card, which is incomplete or executed in a manner not suitable to the Company, will be returned to the Union for correction. Dues and/or agency fees will not be deducted until such time as a legible, signed and dated Union Check-Off card is received by the Company.

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Any notice of revocation as provided for in the NLRA, as amended, must be in writing, signed by the employee and delivered by registered mail, addressed to the appropriate Company accounting official, with a copy to the Union.

Check-Off Authorization Cards and notices received by the Company accounting officials will be stamp-dated on the date received and will constitute notice to the Company on the date received and not when mailed.

Section 2.2 Check-off Authorization Card – When a Check-Off Authorization Card is received by the appropriate Company accounting official on or before any given payday, deductions will commence with the first regular paycheck following said payday, and will continue thereafter until revoked or canceled as provided in this Agreement. The Company will remit to the Union a check, in payment of all dues and/or agency fees collected, not later than the 20th day of the month following the month in which such dues and/or agency fees are collected. These remittances will be subject to normal accounting practice with respect to the adjustments necessary because of the methods involved in the deduction procedure. The Company remittances of Union membership dues and/or agency fees to the Union will be accompanied by a list of names of the employees for whom deductions have been made in that particular period and individual amounts deducted.

<u>Section 2.3 Termination</u> – An employee who has executed a Check-Off Authorization Card and who resigns, or is otherwise terminated form the employ of the Company, shall be deemed to have automatically revoked his/her assignment and if he/she is recalled or reemployed, further deductions of Union dues or agency fees will be made only upon execution and receipt of a new Check-Off Authorization Card.

Section 2.4 Collection of Dues – Deduction of Union dues shall be made in a flat sum provided there is a balance in the paycheck sufficient to cover the amount after all other deductions authorized by the employee, or required by law, have been satisfied. In the event of termination of employment, the obligation of the Company to collect Union dues shall not extend beyond the pay period in which the employee's last day of work occurs.

<u>Section 2.5 Revocation of Authorization for Deduction</u> – An employee may revoke a dues deduction authorization by providing a written Request for Revocation of Dues Deduction Authorization to the Union. A copy of the Request for Revocation must be provided to the Company's Director of Human Resources by the Union within Five (5) business days of receipt by the Union.

Section 2.6 Indemnification – The Union, including its International (if applicable), accepts full responsibility for the authenticity of each dues Authorization Card submitted by it to the Company, and any authorization that is incomplete or in error shall be disregarded by the Company and shall be returned to the Union for correction. The Union agrees that, upon receipt of proper proof, it will refund to employees any deduction erroneously or illegally withheld from an employee's earnings by the Company which has been transmitted to the Union by the Company. The Union, including its International (if applicable), further agrees to indemnify and hold harmless the Company from any and all costs, expenses (including but not limited to, reasonable attorney's fees), judgments, liabilities, damages, and penalties, that the

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Company may sustain, incur or be required to pay as a consequence of any claim by an employee for the wrongful withholding of wages under this Agreement.

ARTICLE 3: UNION RIGHTS

SECTION 3.1 - Stewards

- A. <u>Recognition.</u> The Company recognizes the right of the Union to designate shop stewards. The Company agrees to recognize the maximum of two (2) Shop Stewards per shift. Within ten (10) calendar days of the execution of this Agreement, the Union shall furnish to the Company, in writing, the names of each of the Union's designated stewards. Changes to these assignments shall be provided by the Union to the Company, in writing, within two (2) calendar days of such change becoming effective.
- B. Steward Authority. The authority of Stewards shall be limited to, and shall not exceed, the following duties and activities: (1) representation of employees in disciplinary interviews consistent with Section 3.1 D of this Agreement and as permitted under the National Labor Relations Act; (2) the investigation and presentation of grievances in accordance with this Agreement; (3) the transmission of such information and messages to and from the Union, which shall originate with and are authorized by the Union's Officers, provided such messages have been reduced to writing; and (4) the right to bring a grievance to the Company's attention at the time of the occurrence in accordance with the terms of this Agreement.

Such duties shall be conducted during non-working time and may not interfere with the operations of the Company. Such activities may only be conducted during working time in exceptional cases where agreed upon in advance by the Company and the Union in writing. Stewards or other employees, who conduct Union business on working time, in violation of this provision, shall be subject to discipline under Article 12 of this Agreement. It is expressly agreed and understood between the Parties that the Company may schedule disciplinary interviews consistent with Section 3.1 D of this Agreement during working time.

- C. <u>Compensation.</u> Stewards shall not be compensated by the Company for performing their duties as a shop steward.
- D. <u>Investigatory Interviews.</u> Subject to, and in accordance with, the National Labor Relations Act, any investigatory interview between an employee and a Company representative which is anticipated to result in discipline shall, at the request of the employee, be conducted in the presence of an authorized Union officer or shop steward unless such officer or shop steward is not reasonably available and exigent circumstances preclude postponement of the investigation.

SECTION 3.2 - Union Posting. The Company will request permission from the Government for the Company and the Union to use bulletin boards jointly— or other

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methods of communication— to post notices relating to official Union business or otherwise communicate with employees at facilities where employees work. The decision of whether to allocate bulletin boards to allow posting of notices or permit such communications shall be at the sole discretion of the Government. All Union notices posted shall be signed by an officer of the Union or Shop Steward. Copies of Union notices shall be provided to the Company's Project Manager twelve (12) hours in advance of posting.

<u>SECTION 3.3 - Union Activities.</u> Neither Union officials nor employees shall, during the working time of any employees participating, solicit membership, receive applications, hold meetings of any kind for the transaction of Union business, or conduct any Union activity other than the handling of grievances to the extent such work time activity is specifically allowed by the Company or this Agreement.

SECTION 3.4 - Government Cooperation. The Union acknowledges and agrees that the terms and conditions of this Agreement, and the employee's employment with the Company, are subject to certain priorities, rules, procedures and restrictions of SecTek's customer, the United States government. The Union agrees to cooperate with Company in all matters required by the government and to comply with all such government priorities, rules, procedures and restrictions. The Union further agrees that any actions taken by the Company pursuant to a requirement imposed by any agency of the United States government shall not constitute a breach of this Agreement. Any action which any agency of the United States requires or directs the Company to take immediately, may be taken without prior notice to or discussion with the Union. However, whenever such action affects a term or condition of employment, the Company agrees to notify and discuss with the Union the effects of that action.

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ARTICLE 4: MANAGEMENT RIGHTS

SECTION 4.1-General. The Management of the Company retains the right to manage it operations: to direct, control and schedule it operations and work force and to make any and all decisions affecting the operations, whether or not specifically mentioned herein. Such prerogative shall include, but not be limited to, the exclusive rights to: hire, promote, layoff assign, suspend, discharge and discipline employees; select and determine the number of its employees, including the number assigned to any particular work; to increase of decrease that number; direct and schedule the work force; determine the location and type of operation; determine and schedule when overtime shall be worked; install or remove equipment of a security nature; determine the methods, procedures, materials and operations, in whole or in part and to discontinue their performance by employees of the Company; transfer or relocate any or all of the operations, in whole or in part at any time; determine the work duties of employees; promulgate, post and enforce rules and regulations governing the conduct and acts of employees during working hours; required duties other than normally assigned to be performed; select supervisory employees; train employees; discontinue, reorganize or combine any department or branch of operation with any consequent reduction or other change in the work force, introduce new and improved methods or facilities regardless whether or not such may cause a reduction in the work force; establish, change, combine, or abolish job classifications; determine reasonable work pace, work performance levels and standards of performance of the employees and in all respects carry out in addition the ordinary and customary functions of management, all without hindrance or interference by the Union expect as specifically altered or modified by the express terms of this agreement.

SECTION 4.2. -Nature of Work It is recognized and acknowledged that the Company is in the business of providing a service, through its employees, to the Government and to other customers. It is therefore essential and expected that all employees will act in a highly professional, courteous manner and will be held accountable for their duties, functions and job requirements. Except for those matters specifically addressed in the Agreement, the Company reserves the sole and exclusive authority to draft, issue, implement, revise, enforce and withdraw reasonable rules of conduct and reasonable regulations as the Company deems necessary. The Company will provide copies of such rules and regulations, and any changes thereto, to the Union.

ARTICLE 5: NONDISCRIMINATION

The Company and the Union agree that they shall each comply with all federal, state, and local (where applicable) employment discrimination laws, which are incorporated herein in their entirety, and will not discriminate against any employee with regard to race, color, religion, age, sex, national origin, or disability in violation of such laws. Such laws shall include, but not be limited to, the Age Discrimination in Employment Act (29 U.S.C. § 621 et sea.), Title VII of the Civil Rights Act of 1964 (42)

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U.S.C. § 2000e et seq.), the Rehabilitation Act (29 U.S.C. § 793 et sea.), the Civil Rights Act of 1866 and 1871 (42 U.S.C. §§ 1981 & 1983), Executive Order 11246, the Americans with Disabilities Act (42 U.S.C. § 12101 et seq.), the Civil Rights Act of 1991 (Pub. L. 102-66), the Family and Medical Leave Act of 1993 (29 U.S.C. § 2601 et seq.), the Equal Pay Act (29 U.S.C. § 201 et seq.), and Disabled & Viet Nam Veterans Act (38 U.S.C. § 4212). Any claim that the foregoing provision has been breached, or that the Company has breached any federal, state, or local civil rights law, shall be resolved exclusively pursuant to binding arbitration as set forth in Section 13.13 after exhaustion of the parties' internal dispute resolution procedures (steps one through four as described in Sections 13.2 through 13.5).

ARTICLE 6: HOURS OF WORK

<u>SECTION 6.1 – Work week.</u> The normal workweek shall consist of forty (40) hours, and commence at 0001 Sunday and end one hundred sixty-eight (168) hours thereafter.

<u>SECTION 6.2 – Work day.</u> The normal workday shall consist of twenty-four (24) hours beginning at 0001 hours and the normal shift shall consist of eight (8) to twelve (12) consecutive hours. Changes in hours of work may be made whenever necessary for the purposes of legitimate scheduling requirements such as training or special events. Except in cases of a client emergency, a twenty-four (24) hour notice shall be given in advance of such changes. If the employee is off duty, the supervisor shall make personal contact and maintain a contact log. All such changes on the schedule will be initialed and dated by the supervisor making the change.

The Company will give notice of employee's regular scheduled days off. When an employee has two days or more scheduled off in the workweek, such days off will be scheduled consecutively, whenever practicable.

Nothing in this Agreement shall be construed as a guarantee of any number of hours of work per day or days per week and nothing in this agreement shall be construed as a limitation upon the Company's right to schedule hours in excess of, or less than those in the normal work week.

As used throughout this Agreement the term "actual work" shall be synonymous with "work time" or "working time" as those terms are defined under the Fair Labor Standards Act.

SECTION 6.3 - Overtime Work. The opportunity to work overtime shall be provided consistent with the Company's needs and circumstances, and overtime shall be scheduled in order of seniority. Where seniority is equal between two bargaining unit employees, the overtime hours shall be given to the employee who made the request first.

Employees may be required to work reasonable assignments beyond regularly schedule hours at the discretion of the Company. The Company has the right to hold over employees until relieved and/or to require an available employee to provide coverage; an employee who refuses to work such additional hours may be subject to appropriate discipline. However, the Company will make every effort to schedule such

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assignments on an equitable, rotating basis. The Company will attempt to provide two Page 10 of 30 (2) hours notice to employees on duty that will he or she will be required to work beyond his or her scheduled hours. Employees shall not be held over past twelve (12) hours unless mandated by emergency conditions.

ARTICLE 7: GENERAL WAGE PROVISIONS

SECTION 7.1—General. All employees shall receive not less than the minimum wage rates as set forth in the scheduled job titles and wage rates:

STRAIGHT TIME RATE OF PAY: The following shall be the straight-time rate of pay, as follows for the period designated:

	03/01/08 to 02/28/09	03/01/09 to 02/281/10	03/01/10 to 02/281/11
Captain	\$21.75	\$22.40 .	\$23.07
Shift Supervisor (Lt.) Armed	\$20.75	\$21.37	\$22.01
Shift Supervisor (Lt.) Unarmed	\$19.45	\$20.03	\$20.63
Security Officer Armed	\$18.75	\$19.31	\$19.89
Security Officer Unarmed	\$18.00	\$18.54	\$19.10
Locksmith	\$26.44	\$27.23	\$28.05
Lead Security Specialist	24.04	\$24.76	\$25.50
Security Specialist	\$21.66	\$22.31	\$22.98
Security Assistant	\$16.67	\$17.17	\$17.69

SECTION 7.2- Overtime Pay. Overtime pay is calculated at one and one-half (1 1/2) times the employee's straight time rate of pay for all hours worked in excess of forty (40) hours of actual work in any single workweek. There will not be any pyramiding of hours worked. Only hours actually worked will be recognized in determining overtime eligibility.

SECTION 7.3 - Undisputed Error. In case of an undisputed error on the part of the Company as to an employee's pay, proper adjustment will be made on the next scheduled paycheck, or sooner as practically possible.

SECTION 7.4 - Personal Data. Employees shall promptly notify the Company's

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Director of Human Resources in writing on a Company-provided form of their proper mailing address and telephone number, and of any change of name, address, or telephone number within ten (10) business days such change. The Company shall be entitled to rely upon the last known address in the Company's official record

SECTION 7.5 Payment of Wages Wages will be paid semi-monthly on the 10th and 25th days of the month. In the event that a regularly scheduled payday falls on a weekend or holiday, employees will receive pay on the last day of work before the regularly scheduled payday. Employees shall be paid the pay rate associated with the post to which they are assigned.

<u>Section 7.6 Break Periods.</u> All productive security officers shall be provided breaks and lunch in accordance with the provisions of the government contract.

<u>Section 7.7 Guard Mount</u> Employees will be paid up to 15 minutes guard mount time before and after each shift, not to exceed 30 minutes per day, to provide the time necessary to sign-in/out, draw weapons and to reach/return from the assigned post. This time will not be included in the calculation of overtime.

ARTICLE 8: LEAVES OF ABSENCE

<u>SECTION 8.1 – Jury / Witness Duty.</u> A full-time employee who has completed his or her probationary period and who is required to report for jury duty or has been subpoenaed as a witness shall be entitled to leave with pay from regularly scheduled hours of work for the time spent in such service up to a maximum of ten (10) work days; provided, however, in order for the employee to be eligible for compensation, the employee must have notified the Company within forty-eight (48) hours of receiving the jury duty notice or subpoena. Employees will not be compensated for participation in any proceeding in which they are a party in the case (plaintiff or defendant), or where they are appearing as a witness against the Company, unless required by law.

For each hour of such leave taken, the employee will be compensated by the Company in an amount equal to his/her straight-time rate of pay, less the amount received by the employee from the court or government agency. No compensation shall be paid by the Company for jury duty on Saturdays, Sundays and holidays unless the employee had been scheduled to report to work on such Saturday, Sunday or holiday. Jury service pay will be paid to full-time employees only. The Company reserves the right to request an exemption or postponement of jury service.

An employee who reports for such service and is excused therefrom shall immediately contact his immediate supervisor and stand ready to report for work, if requested. In order to be paid by the Company for such leave, the employee must submit to the Company's Project Manager written proof, executed by the administrator of the court, of having served, the duration of such service, and the amount of compensation received for such service.

If an employee is called as a witness to a crime on the facility, then he/she shall be compensated for all time spent in testifying or cooperating with prosecuting officers; provided however, that any witness fees tendered to the employee shall be delivered

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SECTION 8.2 - Military Leave. The Company will comply with the provisions of the Uniformed Services Employment and Reemployment Rights Act of 1994, 38 U.S.C. § 4301 et seq. ("USERRA"). Leave taken under USERRA shall be unpaid; provided that, an employee may elect to use any accrued vacation in lieu of unpaid military leave.

SECTION 8.3 - Bereavement Leave.

In the event of a death in the immediate family of a full-time employee, the employee will be granted bereavement leave of up to three (3) work days with pay. Bereavement pay will not be used for the purposes computing overtime and will be paid at the employee's straight-time pay rate at the time the leave was taken. For those employees having to travel 400 miles or more, the bereavement allowance is five (5) days paid leave. These three (3) or five (5) days are to be taken consecutively within a reasonable time of the day of the death or day of the funeral, and may not be split or postponed without prior approval from the Corporate office. For this purpose of this article, immediate family is defined as:

- o Spouse
- o Child/step-child/foster child
- o Parents (including in-laws)/step-parents/foster parents
- o Grandparents / Grandchildren
- o Son-in-law/daughter-in-law/brother-in-law/sister-in-law
- o Siblings/step-siblings.

The Company may require the employee to substantiate the need for the leave.

SECTION 8.4 - Family and Medical Leave.

<u>Leave Entitlement.</u> An employee who has been employed by the Company for 12 months and who has completed 1250 hours of work during the 12-month period immediately preceding the commencement of such leave, will be entitled to unpaid leave under the Family and Medical Leave Act ("Act") in accordance with its provisions.

Year for Purposes of Determining Leave Entitlement. For purposes of determining an employee's leave entitlement under the Act, the 52-week period immediately preceding the commencement of leave under the Act shall be the applicable measuring period.

SECTION 8.5 - Personal Leave Without Pay / Non-FMLA Related Leave.

An employee who has completed his or her probationary period may request personal leave without pay for personal or non-FMLA related medical reasons. The maximum amount of such personal leave without pay an employee is allowed to take is eighteen (18) weeks in a 12-month period. Any combination of non-FMLA and FMLA leave may not exceed this maximum limit. Any such request must be in writing and state the reason for and length of the desired leave. Leave under this Section shall be allowed provided it does not interfere with the Company's business and scheduling needs. Upon giving notice of intent to return to work, an employee shall be scheduled to report to his or her former shift and site, if available. If the employee's former shift or

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site is not available, the employee shall be assigned a shift and site as the Company determines necessary to its scheduling needs. Employees on leaves of absence who accept other employment during such leave, or who do not return to work on such terms as required by the Company, shall be considered as having voluntarily resigned. It is expressly agreed and understood between the Parties that any alleged violation of this Section shall be subject to the grievance procedures set forth in Section 13 of this Agreement but shall not be subject to the arbitration procedures as set forth in Section 13.3 of this Agreement. It is further agreed that the resolution of such grievance in accordance with the procedures set forth under Section 13.1 through 13.5 shall be final and binding.

SECTION 8.6 - Personal/Sick Leave.

Effective April 1, 2008, all non-probationary, full-time employees employed as of that date will accrue 2.00 hours per pay period (24 pay periods in one year).

Unused PSL will be paid out to the Employee on the first payroll date following December 31st of each calendar year.

Employees taking personal/sick days are required to arrange personal/sick leave with their supervisor prior to taking the time off or utilize the normal call-off procedures as set forth in Sections 8 and 12 if the time off was not authorized in advance. Employees failing to obtain prior authorization or failing to comply with Sections 8 shall be subject to discipline, up to an including discharge.

Employees shall be compensated for personal/sick at the straight-time rate of pay at the time the personal/sick leave is accrued. Personal/sick leave shall not be deemed hours of work for the purposes of computing overtime or other premium pay under this Agreement, nor shall fringe benefits accrue during such leave. Employees may not take personal/sick leave under this Section in increments of less than one/half day (4 hours).

An employee who is unable to perform the functions of his or her position because of illness or injury, or for other medical reasons (including dental and medical examinations) may request to use accrued but unused vacation leave pursuant to the provisions of Article 10 or, alternatively, may request unpaid leave pursuant to the provisions of Section 8.5 subject to approval of the Company at its discretion.

<u>SECTION 8.7 - Notice of Absence.</u> An employee who foresees that they will be absent due to anticipated medical reasons (including dental and medical examinations) must provide the Company two weeks notice of his/her anticipated absence (or if two weeks notice is not practical then as soon as possible), regardless of the length of the anticipated absence and regardless of whether the employee seeks pay for the absence. Failure to do so will result in discipline up to and including discharge. Where the Family Medical Leave Act does not apply, the Company shall try (but not be obligated) to accommodate the employee's request for leave.

<u>SECTION 8.8 - Medical Certifications.</u> An employee who is absent due to illness or injury or for other medical reasons (including dental and medical examinations) for more than three (3) consecutive work days shall be required to provide to the

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Company's Director of Human Resources a completed "Medical Certificate" certifying that the employee is able to return to work on the day of returning to work, in a form to be provided by the Company. If the Company questions the physician's statement submitted by the employee, the Company may require the employee to obtain a second opinion by a physician selected by the Company, at the Company's cost. If the opinion of the first physician and the second physician differ, the Company may require the employee (at the Company's expense) to obtain a third opinion from a mutually agreed upon physician, whose opinion shall be final and binding. Where an employee fails to provide medical certification under this Article, or where the medical certification does not support the employee's absence, the employee will be subject to disciplinary action, up to and including termination, in accordance with Article 12 of this Agreement. An employee who does not provide medical certification that he/she is able to return to work, if required or requested by the Company under this Section 8.8, will not be permitted to return to work.

Where an employee takes leave pursuant to the Family and Medical Leave Act as set forth above, the provisions of the Company's policies under that Act shall control and will supersede any provision of this Article which is inconsistent with the Act or the Company's policies under the Act.

SECTION 8.9 –Union Leave. The Company agrees to grant two (2) Union officers or delegates a leave of absence upon written request for the purposes of attending Union conventions or other meetings of vital interest to the Union, provided it does not affect the operating efficiency of the Company and the Company has been provided fifteen (15) days advance notice. Union leave shall be limited to five (5) working days per calendar year and shall be unpaid.

SECTION 8.10 - Rate of Pay. Except as otherwise provided in this Article 8, for any paid leave taken under this Article 8, an employee shall be compensated at the straight-time rate of pay at the time the leave is taken. Except as otherwise specifically provided in this Article 8, hours of leave, whether paid or unpaid, shall not be deemed hours of actual work for the purposes of computing overtime nor shall fringe benefits accrue during such leave.

SECTION 8.11 - Seniority. Seniority shall accumulate during any approved leave of absence, including absence due to jury/witness duty.

ARTICLE 9: HOLIDAYS

SECTION 9.1 - Eligibility. All full-time employees shall be paid eight (8) regular straight time hours for the following ten (10) holidays.

New Years Day Labor Day Martin Luther King Day Columbus Day

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President's Day Veteran's Day Memorial Day Thanksgiving Day Independence Day Christmas Day

An employee who has requested and agrees to work on any of the above named holidays, but fails to report to work for such holiday shall not receive holiday pay, and shall be subject to discipline up to and including discharge.

In addition to the above holidays, employees will receive holiday pay, as described in this article, should there be a Presidential Proclamation announcing a special holiday as long as that proclamation specifically includes Federal contractors.

<u>SECTION 9.2 - Rate of Pay.</u> An eligible full time employee who is not required to work on a holiday shall be paid eight (8) hours pay at his or her straight-time rate of pay. An eligible full time employee assigned to work on a holiday will receive their straight-time wage for all hours worked plus the eight (8) hours holiday pay specified above.

In order for an employee to qualify for a paid holiday, Employee must have worked his/her regularly scheduled workday immediately preceding the holiday and Employee's regularly scheduled workday immediately following the holiday.

In the event that one of the holidays shall occur during the employee's paid time off, the employee will receive holiday pay instead of paid time off benefits that would have otherwise applied.

An eligible part-time employee who is not required to work on a holiday shall be paid a proration of the full-time holiday benefit based upon his or her total hours worked for the previous week multiplied by 0.2 (X0.2). An eligible part-time employee assigned to work on a holiday will receive his or her straight-time wage for all hours worked plus a pro-ration of the full-time holiday benefit based upon his or her total hours worked for the previous week multiplied by 0.2 (X0.2).

Hours which an employee does not work but for which he or she is compensated under this Article shall not be considered hours worked for the purposes of computing overtime nor shall fringe benefits accrue during such leave.

ARTICLE 10: VACATION

SECTION 10.1 – Generally. Vesting of vacation is based upon vacation earned by the employee with continuous service, without a break in service, in accordance with the Service Contract Act as shown in the following schedule:

Service
CompletedVacation PeriodVacation PaySemimonthly
Accrual RateAfter 1 Year2 Weeks80 Hours3.33 hours

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Page 16 of 31

After 5 Years	3 Weeks	120 Hours	5 hours
After 10 Years	4 Weeks	160 Hours	6.67 hours
After 15 Years	5 Weeks	200 Hours	8.34 hours

Vacation shall not vest and employees shall not be entitled to vacation under the above schedule until the employee has completed twelve (12) months of employment. If an employee separates from employment for any reason with less than one year and one day of employment with the Company or its predecessor, the employee shall not be entitled to any vacation pay. Vacation pay for full time employees will not be prorated.

The length of eligible service is calculated on the basis of the 12 month period that begins with the employee's date of hire with the Company or, in the case of incumbent employees from a predecessor contract, the employee's date of hire with the predecessor contractor (seniority date).

Following the first full year of service, the employee will accrue vacation each semimonthly pay period as indicated in the table above.

<u>SECTION 10.2 - Vacation Scheduling</u>. Vacation leave shall be taken at such times mutually convenient to the employee and to the Company Conflicting vacation requests not timely submitted shall be resolved in order of receipt by the Company (i.e., "first come, first serve"). Conflicts in vacation requests timely submitted shall be resolved by seniority.

All vacation requests shall be made at least thirty (30) days in advance of the date the requested vacation is to begin and shall be submitted on a form to be provided by the Company. Employees may not take vacation in increments of less than eight (8) hours. No more than five percent (5%) of the workforce may be on vacation at any time. It is expressly agreed and understood between the Parties that any alleged violation of this Section shall be subject to the grievance procedures set forth in Section 13.1 through Section 13.5 but shall not be subject to the arbitration procedures. It is further agreed that the resolution of such grievance in accordance with the procedures set forth under Section 13 shall be final and binding.

SECTION 10.3 - Part-Time Employees. Eligible part-time employees shall be entitled to pro-rated vacation pay at their straight-time rate based on the number of hours worked in the previous year based on the Employee's anniversary date. For example, part-time employees who have been continuously employed for one (1) year and who, on average, worked twenty (20) hours per week the prior year would be eligible to receive one (1) week paid vacation based on forty (40) hours at their straight-time rates of pay.

<u>SECTION 10.4 - Vacation Carry-over.</u> An employee may not carry over more than 120 hours from one calendar year to the next. Vacation hours in excess of 120 hours shall be paid on the first payroll date following December 31st. At the time of termination of employment, employees shall be paid for any accrued and unpaid

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Vacation hours. Page 17 of 30

<u>SECTION 10.5 - Rate of Pay.</u> Employees shall be compensated for vacation at the straight-time rate of pay at the time the vacation leave is taken. Vacation leave shall not be deemed hours of work for the purposes of computing overtime or other premium pay under this Agreement, nor shall fringe benefits accrue during such leave. Vacation leave shall be paid by the Company in accordance with its normally scheduled payroll dates.

ARTICLE 11: HEALTH AND WELFARE & OTHER BENEFITS

SECTION 11.1 Health and Welfare. Effective March 1, 2008, each employee will receive a H&W contribution of \$3.26 per hour worked, to a maximum of forty (40) hours per work week, as follows:

Full-time employees will become members of the Company's cafeteria health and welfare plan, which currently includes, as of the date of the signing of the CBA and this Amendment, the following benefits:

DESCRIPTION OF BENEFIT *	OPTIONS	SEE NOTE
Major Medical (three levels of coverage)	Required, unless has proof of existing group coverage.	1
Dental (two levels of coverage)	Optional	2
Vision	Optional	7
Short-Term Disability (STD); Long-Term Disability (LTD) / Employee Assistance Plan; Basic Life Insurance; Accidental Death and Dismemberment (ADD)	Core	3
Supplemental Life Insurance	Optional	
Specific benefits and costs are subject to modification	on durina open enrollm	ent period

- Note 1: Major medical is required, unless Employee provides timely proof of existing bonafide group medical coverage during the open enrollment period or within the required time
 period following a qualifying event. If Employee makes no election, Employee will
 automatically be enrolled in the Company's low premium/high deductible plan.
- Note 2: Dental and Vision benefits are optional. If Employee makes no election, Employee will not be enrolled in these benefits.
- Note 3: This group of core benefits is mandatory and can not be walved.

Any residual health and welfare credits not used to purchase benefits will be paid to Employee in cash, and included in Employee's semi-monthly paycheck as taxable income.

If Employee elects benefit(s) that exceed the total health and welfare contribution, the excess cost will be paid by Employee in the form of a payroll deduction. Thus, the following health and welfare contribution represents the Company's maximum obligation/contribution during the term of the CBA:

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Current to 03/01/2008	03/01/08 to 02/28/09	03/01/09 to 02/28/10	03/01/10 to 02/28/11
\$3.01	\$3.26	\$3.36	3.46
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Part-time employees who work 29 hours or less in a work week are not eligible for the Company's health and welfare plan, and will receive in the above health and welfare contribution in cash, which will be included in Employee's semi-monthly paycheck as taxable income.

<u>SECTION 11.2. Uniform Allowance</u>. The Company shall provide at no cost to all new employees uniforms and other equipment as required under the Company's guard service contract. Employees shall maintain uniforms and equipment issued to them, and maintains their personal appearance, in accordance with Company and government policy.

Effective March 1, 2008, the Company shall pay each employee who is required to wear a uniform the sum of thirty-five cents (\$.35) for each regular hour worked (up to forty hours per week) to launder, repair, and maintain Company-issued uniforms and equipment, including the replacement of uniform patches and badges that are directed to be replaced by the Company at its discretion.

Effective March 1, 2008, the Company shall pay each employee a shoe allowance of ten cents (\$.10) for each regular hour worked (up to forty hours per week.

Upon termination of employment, Company issued clothing and equipment shall be returned to the Company immediately. The Union agrees that all employees, as a condition of employment or continued employment, shall provide written authorization allowing the Company to deduct from the employee's final paycheck, the cost of all unreturned issued clothing and equipment. The deduction for such missing items not returned shall be the cost to the Company.

<u>Section 11.3-Workers' Compensation.</u> The Company shall provide workers' compensation insurance to all employees to be calculated at the applicable state premium rates effective.

Section 11.4 Attendance Bonus. Employees who each year have no absences from scheduled work, from March 1 through the last day of Februray each year, will receive a \$500.00 perfect attendance bonus payable on the first payroll in April for the duration of this agreement. Employees who have been tardy or who have had other attendance violations resulting in disciplinary action are ineligible for the attendance bonus.

Section 11.5 - 401(K) Plan Effective March 1, 2008 for each eligible employee, the Company will contribute sixty cents (\$.60) to a 100% vested 401(k) account in the

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Company will contribute sixty cents (\$.60) to a 100% vested 401(k) account in the employee's name for all hours worked up to a maximum of 40 hours per week.

ARTICLE 12: DISCHARGE AND DISCIPLINE

<u>SECTION 12.1 – Just Cause.</u> No employee shall be discharged or disciplined without just cause, and discipline and discharge matters shall be subject to the grievance and arbitration procedures contained in Article 12 of this Agreement. However, an arbitrator shall not have the authority to reduce a discharge or otherwise modify the penalty imposed by the Company for a proven violation of any of the following:

- Violation of Rules and Regulations of Government Public Building and Grounds, 41 CFR § 101-20.3.
- Neglect of Duty Including sleeping while on duty, insubordination, deliberate failure to carry out assigned tasks and conducting personal affairs during official time. The term "personal affairs" as used in this paragraph does not include the making of telephone or other inquiries concerning the status of children or family members or the provisions of their care provided that such activities have been approved by the Employee's supervisor. Long distance telephone calls shall not be made at government expense.
- Use or display (in plain sight) of personal electronic devices not used in the normal course of Company business. These devices include, but are not limited to, cellular telephones, personal computers, games, video recorder/player, audio recorder or player and other electronic communication devices.
- Falsification or unlawful concealment, removal, mutilation or destruction of any official documents or records, and/or concealment of material facts by willful omissions from official documents or records.
- Fighting on Government property or while on duty. Participating in disruptive or disorderly conduct which interferes with the normal and efficient operations of the Government or Company.
- Theft, vandalism, or criminal acts.
- Drinking or drunkenness on the job; use or possession on the job or being impaired by unlawful drugs/stimulants or alcoholic beverages on the job, or violation of the Alcohol and Drug Abuse Policy as agreed to by the Company and Union.
- Improper use of official authority or credentials.
- Unauthorized use of communications equipment or Government property.
- Misuse of weapon(s) or possession of private firearm on the job.

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- Violation of Government security procedures or regulations, including, without limitation, those set forth in the GSA Security Guard Manual.
- Violation of state or federal laws regarding the possession or use of a firearm.
- Post abandonment / leaving post prior to being properly relieved.
- Failure to cooperate with Government officials, local law enforcement authorities, or the Company during an official investigation.
- Falsification of time records.
- Deliberate or negligent conduct causing monetary damages, penalties or invoice deductions to the Company.
- Sexual, racial or verbal harassment in violation of company policy.
- It is expressly agreed and understood that the Company shall have the right to establish and modify from time to time disciplinary and other reasonable rules of conduct and the right to discipline, up to and including the right to terminate, for violating same. Prior to such change the company will meet and confer with the Union. If the Union does not agree it has the option to grieve the decision.

SECTION 12.2 - Standards of Conduct. It is acknowledged and recognized that the Company is in the business of providing security services to the United States government, and that the provision of these services is highly sensitive. It is therefore essential and expected by the Company and Union that all employees shall act in a highly professional, courteous manner and shall be held responsible for their duties, functions and job requirements. Deviation from or failure to meet this standard shall constitute just cause and result in disciplinary action, up to and including termination, pursuant to the provisions of Section 12.1.

It is also recognized that timely and consistent attendance is a fundamental requirement of security positions; that the importance of good attendance is to prevent disruption to fellow employees' schedules/disruption to contract operations/overtime/open posts; that a minimum of four hours advanced notice is required for any call-off, and that four or more absences within a four-month period is considered chronic absenteeism, subject to the company's disciplinary policies; that abuse of attendance and other conduct rules will be subject to disciplinary action, up to and including termination of employment.

SECTION 12.3 - Government Action. If the contracting agency, or other government agency, directs that a specific employee be removed from the contract or otherwise disciplined, any such action directed may be undertaken by the Company and shall not be subject to the grievance or arbitration procedures of Article 13 this Agreement. In the event that the contracting agency or other government agency expressly directs the removal or discipline of a contract employee, the Company agrees to cooperate

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with the Union by providing it with available information concerning the incident within five (5) calendar days of such direction by the contracting agency or other government agency. It is expressly understood that such government action does not create an obligation on Company to relocate or reassign employee to any other contract.

SECTION 12.4 - Voluntary Quits. An employee shall be deemed to have voluntarily quit employment with the Company, and the separation of the employee from the Company will not be subject to grievance, mediation and arbitration procedures of this Agreement, if:

- A. An employee who takes medical leave fails to notify the Company within two (2) days after he or she is able to return to work.
- B. The employee becomes ineligible to work on the Company's contract because he or she has failed to successfully complete training, testing and other qualifications mandated by the Government in its contracts with the Company.
- C. The employee fails to report to work within forty-eight (48) hours after the expiration of a leave of absence without contacting the Company.
- D. The employee fails to respond within five (5) days of receiving a notice of recall.

ARTICLE 13: GRIEVANCE MEDIATION AND ARBITRATION PROCEDURE

SECTION 13.1 General Provision. In order to establish effective machinery for a fair, expeditious and orderly adjustment of grievances, the parties agree that in the event any complaint or grievance arises over the interpretation or application of any provision of this Agreement, there will be an earnest effort to settle such complaint or grievances by the following procedure, the last step of which will be binding arbitration. In order to maintain the integrity of the grievance process, and to alleviate the use of the grievance process from becoming an individual's platform, the Union has the responsibility for reviewing and submitting only those grievances that are considered to have validity in its good faith judgment.

The parties expressly acknowledge that the duty to use this grievance procedure, including binding arbitration, includes any and all disputes between any Employee and the Company (and the Union and the Company) arising out of or relating to any Employee's employment with the Company, whether grounded in contract, tort or statutory law (including, but not limited to, federal, state and local civil rights and employment laws such as Title VII of the Civil Rights Act of 1964, as amended, the Americans With Disabilities Act, the Age Discrimination In Employment Act, The Family Medical Leave Act, and the Fair Labor Standards Act). This duty to arbitrate shall apply to all claims which the Employee believe he/she may have against the Company, its affiliated companies or any of its officers, owners, directors, employees or agents.

<u>SECTION 13.2--Step 1</u>. An employee or Union steward, who becomes aware of a situation and believes he/she has a justifiable complaint or grievance, shall promptly discuss it with their supervisor within five (5) working days in an attempt to settle the matter. If the matter is brought forward by the employee, a Union representative may

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be present during the discussion if requested by the employee.

SECTION 13.3-- Step 2. If the employee or Union steward is dissatisfied with the response of the immediate supervisor in Step 1, the grievance must be elevated to the Contract Manager, in writing, within five (5) working days. The Contract Manager shall have five (5) working days from date of receipt of the grievance to respond in writing. The Union and the Company may participate in Step 1 and Step 2 by telephone, fax, or other electronic means.

SECTION 13.4 -- **Step 3**. If the matter is not resolved at Step 1 or Step 2 of the grievance procedure, the grievance, to be valid, must be presented to the Vice President, Metro Operations in writing, signed by the employee and Union Representative specifying the Article(s) and Section(s) of the Agreement believed violated and stating what relief is sought, no later than five (5) working days following the written rejection at Step 2. The Vice President, Metro Operations shall answer the grievance in writing within five (5) working days after receipt of said grievance.

<u>SECTION 13.5 -- Step 4.</u> If the Company's answer is not satisfactory, a Representative of the Union will meet and discuss the grievance with the Vice President, Metro Operations. The Company must reply to the Union within ten (10) working days excluding Saturday, Sundays and Holidays, of said meeting.

<u>SECTION 13.6—Failure To Resolve Grievance</u>. Grievances which have been processed in accordance with the foregoing requirements and which remain unsettled may be processed by the Union to arbitration pursuant to Section 13.7 or Section 13.13 as applicable.

SECTION 13.7—Contract Based Grievances. The Union, within ten (10) calendar days after the rejection of the grievance by the Company's Designated Representative shall notify the Company in writing of its intent to invoke arbitration, and the Company and the Union will jointly attempt to agree upon the selection of a neutral arbitrator to hear the case. Should the parties fail to agree upon the selection of an arbitrator, the Union will request the Federal Mediation and Conciliation Service to supply a list arbitrator's to hear the case. A copy of this request will be sent to the Company. This request will be made within five (5) calendar days after failure of the parties to agree upon an arbitrator. An arbitrator will be selected from a list supplied by the Federal Mediation and Conciliation Service by the parties alternately striking from the list until one name remains, and this individual will be the arbitrator to hear the case.

<u>SECTION 13.8—Procedures</u>. In the event of arbitration pursuant to Section 13.7, the parties shall execute a submission agreement. If the parties fail to agree upon a joint submission, each party shall submit a separate submission to the arbitrator. The arbitrator will confine his decision to this submission or submissions. The joint or separate submissions will state the issue or issues and the specific paragraph or paragraphs of this Agreement, which the arbitrator is to interpret or apply.

<u>SECTION 13.9 – Decision</u>. The decision of the arbitrator shall be submitted in writing and shall be final and binding on all parties to this Agreement. Whenever possible, the decision shall be made within thirty (30) days following the close of the hearing. Each party hereto shall bear the expense of preparing and presenting its own case. For

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purposes of arbitration under Section 13.7, the cost and all expenses of the arbitrator shall be borne equally by the parties. In the event a stenographic transcript of the hearing is made, the party requesting the transcript shall bear the full cost of the stenographic record unless the parties agree to the sharing of the expense.

<u>SECTION 13.10 – Special Time Limitations</u>. Any grievance involving discharge, layoff or other potential accumulating back pay liability shall be commenced at Step 3 of this procedure and the written grievance to be processed must be presented to the Vice President, Metro Operations or the Corporate Labor/Employment Counsel or, in his/her absence, to his/her designee within five (5) calendar days after the occurrence of the facts giving rise to the grievance.

SECTION 13.11—Failure To Comply With Time Limitations. Any grievance shall be considered null and void if not filed and processed by the Union or the employee represented by the Union, in strict accordance with the time limitations set forth above. There shall be no recognition of a continuing grievance so as to frustrate the intent of strict adherence to those time limitations. Failure of the Company to act within the time limit set forth in any step shall entitle the Union to proceed immediately to the next step of the grievance procedure. In any particular case, any time limit specification may be extended by mutual agreement between the Company and the Union.

SECTION 13.12-Limits on Arbitrators Authority. The arbitrator cannot modify, amend, add to, detract from or alter the provisions of this Agreement nor substitute his judgment for that of management except as it applies the enforceability of arbitration as specified in 13.13.

SECTION 13.13 – Non-Contract Claims. Sections 13.7 through 13.12 notwithstanding, the following rules shall apply whenever an employee covered by this Agreement or the Union asserts a common law or statutory claim other than solely a claim that the Company has failed to comply with the terms of this Agreement. When the sole claim is that this agreement has been breached, the arbitration shall be pursuant to Sections 13.7 through 13.12.

If the dispute has not been resolved pursuant to the procedures outlined in Sections 13.1 through 13.5, the resolution of the claim shall be resolved exclusively by means of binding arbitration in accordance with the Employment Dispute Resolution Rules of JAMS in the Metropolitan DC area or in such location that the arbitrator determines is more convenient for the parties. If the Employee's claim is under any civil rights law (or if otherwise required by applicable law or JAMS to make this duty to arbitrate enforceable as to any other claim), the Company shall pay the cost of the arbitration proceeding hereunder (administrative and arbitrator fees) reasonably allocable to such claims. The arbitrator shall have the authority to award preliminary and final injunctive relief. The arbitrator shall also have the authority to modify the provisions of this Agreement relating to the duty to arbitrate to the extent the arbitrator determines that such modification is necessary in order to make this duty to arbitrate enforceable.

If a party brings an action to enforce this duty to arbitrate, and should that party prevail in such action, the party shall be entitled to all its attorneys' fees and cost incurred in

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connection with such proceedings. The arbitrator shall also award the prevailing party its/his/her reasonable attorneys fees if any applicable statute authorizes the award of such fees. In addition, the prevailing party in any arbitration shall be entitled to all its attorneys' fees and costs incurred in connection with confirming an arbitrator's award and/or successfully defending against any challenge or appeal relating to such award.

In the event either party seeks judicial review of any arbitrator's award (and in addition to any other basis for vacating an arbitration award provided by applicable statute or common law) the parties consent to the court vacating or modifying such award if, in the court's opinion, the arbitrator made a clear and substantial misstate as to either the law or the facts affecting the ultimate outcome of the dispute.

Should for any reason the obligation to arbitrate provided by this Section 13.13 be held invalid, both parties (including all employees covered by this Agreement) hereby WAIVE THEIR RESPECTIVE RIGHT TO A JURY TRIAL as to any dispute relating to this Agreement or the Employee's employment hereunder.

SECTION 13.14 – Confidentiality. The Employer and Union recognize that should a dispute or controversy arising from or relating to this Agreement be submitted for adjudication to any court, arbitration panel, or other third party, the preservation of the secrecy of Confidential Information may be jeopardized. All pleadings, documents, testimony, and records relating to any such adjudication will be maintained in secrecy and will be available for inspection by the Company, the employee, and their respective attorneys and experts, who will agree, in advance and in writing, to receive and maintain all such information in secrecy, except as may be limited by them in writing. Photocopying of any documents will be strictly on an as needed basis by the aforementioned respective attorneys. In no event will Company's client and advisor lists or computer programs be subject to discovery except pursuant to an order issued by a court or arbitrator and only then under the highest confidentiality obligations being imposed on such persons receiving such lists. Should the arbitrator issue a written opinion; such opinion shall not contain Confidential Information of the Company.

SECTION 13.15 – Timeliness of Opinions. It is expressly agreed and understood by the Parties that the failure of the Arbitrator to issue the award with all deliberate speed shall render any award issued null and void. It is further agreed that, as a condition for selecting an arbitrator, all prospective arbitrators shall be informed in writing, prior to retention of the arbitrator, that the arbitrator's award must be rendered in writing with all deliberate speed after the close of the hearing or receipt of briefs. If an award is not rendered because of the failure of an arbitrator to render a timely decision either party may re-submit the dispute to arbitration before another arbitrator within ten (10) calendar days.

ARTICLE 14: SENIORITY

<u>SECTION 14.1 – General Provision.</u> Seniority under this Agreement shall commence with the employee's start date on the contract.

<u>SECTION 14.2 – Posting.</u> When a permanent vacancy occurs on a shift, the position will be posted on the bulletin board for a period not less than seventy- two (72) hours before the position is permanently assigned. If more than one employee request is on

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file, preference will be given to employees with the greatest seniority. Such shift changes on request shall be limited to one per calendar year per employee. An employee temporarily transferred to another shift at the Company's request will be returned to the shift from which transferred within thirty (30) days, unless he/she agrees to remain on the new shift. If an existing employee is assigned to fill the permanent vacancy, there is no requirement for the company to post subsequently created vacancies.

SECTION 14.3- List. A seniority list giving name and date of employment under this Agreement shall be furnished to the Union one (1) month after signing this Agreement. A list of additions and separations will be furnished to the Union monthly as applicable. The Company will post a corrected seniority roster during the months of March and September of each year.

<u>SECTION 14.4 – Accepting Position Outside Unit.</u> An employee covered by this Agreement who accepts a position outside the bargaining unit, shall retain the seniority he/she had as of the date of his promotion or transfer but shall not accrue additional seniority while so employed. If he/she is later returned to the bargaining unit, he/she will return to a job to which his/her seniority entitles him/her. If he/she does not return within six (6) months, he/she shall lose all seniority rights.

<u>SECTION 14.5 – Loss of Seniority</u>. An employee who is discharged for cause, or who resigns from the service of the Company, or who transfers out of the positions covered by this Agreement, shall lose all seniority rights.

<u>SECTION 14.6 – Reductions in Force</u>. If a reduction in force is necessary, employees will be laid off on a reverse seniority basis. Employees laid off, if qualified, shall be considered for any existing vacancies within the Company not covered by this Agreement. Any expense incurred as a result of accepting such vacancies will be paid for by the employee.

SECTION 14.7 – Call Back. Laid off employees shall have call back rights. In the case of a recall, employees who have been laid off shall be notified at their last known address to report to work. The notice shall be by telegram or registered mail return receipt. In the event a former employee so notified fails to report for work within five (5) days after receipt of such notice, the employee shall forfeit his/her seniority and all reemployment rights associated therewith. However, if the employee is prevented from reporting because of sickness or an emergency involving him/herself or immediate family, or other legitimate reason, and so notifies the Company within the initial five (5) day period and presents documented proof, the employee, at the discretion of the Company, shall be allowed an additional ten (10) days in which to return to work. If he/she is unable to return at this time, he/she will be given an opportunity to return at the next opening.

SECTION 14.8 – Employee Unable To Report. An employee, who is unable to report to work because of a non-occupational injury or illness, shall continue to accumulate seniority except that he/she shall be subject to layoff according to his/her seniority. An employee who is unable to work because of illness or injury, which is occupational in origin, shall continue to accumulate seniority during the term of the disability.

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<u>SECTION 14.9 – Loss of Seniority</u>. In addition to the reasons otherwise set forth in this Agreement, employees shall lose their seniority rights if:

- a. The employee resigns, quits or retires.
- b. The employee is discharged for just cause.

<u>SECTION 14.10 – Notice to Company</u>. Each employee on a layoff status must notify the Company in writing, advising of any changes of address and their availability for work.

<u>SECTION 14.11 – Equal Seniority.</u> For the purpose of layoff and recall, seniority of employees hired on the same date shall be determined by the lowest of the last four digits of their social security numbers to be the most senior employee.

SECTION 14.12 - Resolution of Disputes. It is expressly agreed and understood between the Parties that any alleged violation of this Article 14 shall be subject to the grievance procedures set forth in Section 13.1 through 13.5 of this Agreement but shall not be subject to the arbitration procedures as set forth in Section 13.6 through 13.12 of this Agreement. The resolution of such grievances by the Company during this "Step 4" conference call shall be final and binding.

ARTICLE 15: CONTINUITY OF OPERATIONS

SECTION 15.1 - No Strikes. Both the Company and the Union agree that continuity of operations is of utmost importance to the Company's operations. It is further understood and acknowledged that it is the intention of the parties that all claims, disputes, or grievances arising under this Agreement be resolved by resort to the grievance and arbitration procedures provided above. It is therefore agreed that, during the term of this Agreement, there shall be no cessation of work, whether by strike, walkout, lockout, sick-out, mass absenteeism, boycott, picketing, or other interference with or curtailment of production of any kind, including sympathy strikes, and that the Union will not cause or permit employees to cause, nor will any member of the Union take part in, any strikes, including a sympathy strike, slowdown, stoppage of work, planned inefficiency or any other curtailment of work or restriction or interference with the Company's or Government's operations for any reason whatsoever. Nor will the Union authorize or sanction the same.

Upon hearing of any unauthorized strike, slowdown, stoppage of work, planned inefficiency or any curtailment of work or restriction or interference with the operation of the Company, the Union shall take affirmative action to avert or bring such activity to a prompt termination. During the term of this Agreement, a refusal by an employee or employees to cross a strike line at the employees' regular place of employment, established by any other labor organization or established by any other group, shall constitute a violation of this Article.

Any employee who violates this provision may be immediately discharged. Furthermore, it is agreed and understood that, in addition to other remedies, the provisions of this Article may be judicially enforced, including specific performance by way of injunctive relief.

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<u>SECTION 15.2 - No Lockouts.</u> During the term of this Agreement, the Company shall not lockout any employee.

ARTICLE 16: CONTRACT AGENCY DIRECTIVES

If the contracting agency directs that a specific employee be removed from the contract, i.e. for reasons including, but not limited to, the failure to meet security clearance and/or suitability requirements, or that a specific employee be disciplined, any such action directed may be undertaken by the Company and shall not be subject to the grievance or arbitration procedures of this Agreement. In the event that the contracting agency expressly directs the removal or discipline of a contract employee, the Company agrees to cooperate with the Union by providing it with all relevant information concerning the incident. Should the Company and the Union agree that there was no just cause for the contracting agency's direction, they will jointly petition the agency to change its position and to lift the disciplinary requirement. Such joint petition would fully satisfy the Company's obligation under this Article 16. The union will be notified of any employment action taken pursuant to this Article and upon request be furnished evidence in support of the action in a prompt and timely manner.

ARTICLE 17: DRUG AND ALCOHOL

The Company and Union, herein referred to as "parties", recognize that, in the security business, the use of controlled substances or alcohol, which cause intoxication or impairment on-the-job, poses risks to the parties, the affected employee, his/her co-workers and the public. An employee cannot perform his/her work effectively if he/she is under the influence of illegal drugs or alcohol. While the parties have no intention of intruding into the private lives of the employees, the parties expect employees to report for work in a condition enabling the full and safe performance of all required duties. The use of controlled substances and alcohol is strictly prohibited during the 12 hours immediately before the state of Employee's shift. The parties recognize that an employee's involvement with drugs and/or alcohol, whether on or off the job, can have an impact on the Company's ability to meet the Government's expectation of a drug and alcohol free work environment.

Accordingly, compliance with the Company's Drug and Alcohol Policy is a condition of employment/continued employment. Violation of the policy subjects an employee to immediate termination pursuant to the terms of this Agreement.

Any employee using prescription medications or other medications that may affect or impair coordination or judgment must notify their supervisor before reporting to work and provide a doctor's statement that the employee is fit to perform the duties of the job.

ARTICLE 18: ARREST AGREEMENT - ADVERSE INFORMATION REPORTING

SecTek is a government contractor providing security services who is bound by its Government contract and other Government and Company security and/or clearance requirements. As such, employees will comply with the provisions of SecTek's Arrest Agreement.

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ARTICLE 19: TRAINING AND QUALIFICATION

SECTION 19.1 – General. It is the mutual responsibility of the employee and the Company to track the expiration of any certifications/qualifications required per the Company's government contract and keep each other informed of such in order to schedule required training and/or insure completion of necessary paperwork in a timely manner. If NASA advises the Company of upcoming certification/suitability requirements, the Company will provide notice to the Employee. The Company will provide a list monthly of certifications requiring renewal within the next 60 days. Within 30 days of expiration of any certifications/qualifications, if Employee has not yet completed or has not yet been scheduled for-recertification training, it is the Employee's responsibility to advise Company of the need to be scheduled for training.

<u>SECTION 19.2 – Trainers.</u> All training and associated qualifications/certifications will be conducted by the Company. Employees may not go to an outside training provider unless specifically authorized and coordinated by the Company. Any employee scheduled for training who fails to attend, will be subject to disciplinary action unless such failure to report is the result of a documented emergency circumstance.

<u>SECTION 19.3 – Payment.</u> Except as otherwise provided in this Agreement general Employees attending training presented by or coordinated at the direction of the Company will be paid their normal base hourly rate of pay for all hours spent in said training.

Employees attending weapons qualification/re-qualification sessions scheduled and authorized by the Company will receive a maximum of four (4) hours pay at their normal base hourly rate of pay.

If an employee is unable to successfully pass the weapons safety test and/or qualify with his/her contract specific weapon prior to his/her certification expiration date, the employee shall be suspended without pay. Such employee shall be reinstated after qualifying, providing such qualification takes place within thirty (30) days of his/her certification expiration date. An employee failing to successfully qualify or report for scheduled training within this thirty (30) days period (unless such failure to report is the result of a documented emergency circumstance or inability of the Company to get the training scheduled), shall be terminated. An employee suspended pursuant to this provision shall not accrue seniority or fringe benefits.

SECTION 19.4 – Failure To Successfully Complete. If an employee does not successfully complete any other government contract mandated training having specific recertification requirements prior to his/her certification expiration date, the employee shall be suspended without pay for a maximum of thirty (30) days. If the employee fails to successfully meet the recertification requirements or fails to report for scheduled training within the thirty (30) days time frame (unless such failure to report is the result of a documented emergency circumstance or inability of the Company to get the training scheduled), the employee shall be terminated. An employee suspended pursuant to this provision shall not accrue seniority or fringe benefits.

ARTICLE 20: SCOPE OF AGREEMENT

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SECTION 20.1 - Duration. This Agreement shall be effective as stated in the Preamble of this Agreement and shall remain in force and effect until 2400 hours on March 31, 2011. It is expressly agreed and understood that the provisions of this Agreement, including and not limited to wages and health/welfare rates and other benefits, are the product of concessions and compromises by the Parties during the negotiations which resulted in this Agreement. It is also expressly agreed and understood that the provisions of this Agreement contain and comprise the entire agreement and understanding between the Parties, and supersede any and all prior agreements or understandings between the Parties, including and not limited to all prior wage and health/welfare rates and other benefit or obligations or requirements of the Company.

SECTION 20.2 - Separability. In the event that any provision of this Agreement shall at any time be declared invalid by any court of competent jurisdiction or through government regulations or decree, the Parties agree to renegotiate such provision of this Agreement for the purpose of making them conform to the decree, regulation or statute so long as they shall remain legally effective. It is the express intention of the Parties that all other provisions not declared invalid shall remain in full force and effect.

SECTION 20.3 - Waivers. The parties acknowledge that, during the negotiation which resulted in the Agreement, each had the unlimited right and opportunity to make demands and proposals with respect to any subject or matter not removed by law from the area of collective bargaining, and all understandings and agreements reached by the parties are set forth in this Agreement. Except as specifically set forth elsewhere in this Agreement, the Company expressly waives its right to require the Union to bargain collectively, and the Union expressly waives its right to require the Company to bargain collectively, over all matters as to which the National Labor Relations Act imposes an obligation to bargain, whether or not: (a) such matters are specifically referred to in this Agreement; (b) such matters were discussed between the Company and the Union during the negotiations which resulted in this Agreement; or (c) such matters were within the contemplation or knowledge of the Company or the Union at the time this Agreement was negotiated and executed. As used in this Section 20.3, the waiver of the right to "bargain collectively" includes the waiver of the right to require the other party to negotiate, and the right to obtain information from the other party.

SECTION 20.4 - Successors and Assigns. Except in cases of condemnation or liquidation, this Agreement shall be binding upon the parties hereto, their successors and assigns.

SECTION 20.5 - Integration. This Agreement contains the entire understanding, undertaking, and agreement of the Company and the Union, and finally determines all matters of collective bargaining for this term. Changes to this Agreement, whether by addition, waiver, deletion, amendment, or modification, must be reduced to writing and executed by both the Company and the Union.

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In WITNESS WHEREOF, the Parties have caused their duly authorized representatives to sign this Agreement on this day, the 29th day of January, 2008 in full acknowledgement of their intention to be bound by the Agreement.

For SecTek, Inc.: Alan Brown, Vice President Human Resources	: Alam
For NASPSO:	716/2008S
Caleb A. Gray-Burriss, Executive Director	(cor your s